

REMARKS

This Response is responsive to the Office Action mailed on May 16, 2011. No claims have been amended. Accordingly, claims 21-32, 34-37, and 39-52 remain pending. Reconsideration of the rejected claims in view of the foregoing remarks is respectfully requested.

On page 2 of the Office Action, claims 21-23, 25, 26, 28, 29, 32, 35, 36, 39, 41-44, and 46-52 are rejected under 35 USC 103(a) as being unpatentable over Fowler (US Patent Publication 2002/0026348) in view of Fernandez (US Patent Publication 2001/0016827). On page 8 of the Office Action, claim 24 is rejected under 35 USC 103(a) as being unpatentable over Fowler in view of Ryan (US Patent Publication 2005/0055272). Also on page 8 of the Office Action, claims 27, 34, 37 and 45 are rejected under 35 USC 103(a) as being unpatentable over Fowler in view of Nerger Monkia "Evening the odds: CRM systems are driving sophisticated loyalty programs at Las Vegas Casinos – and not just for the high rollers," March 1, 2002. On page 10 of the Office Action, claims 30, 31, and 40 are rejected under 35 USC 103(a) as being unpatentable over Fowler in view of Postrel (US Patent 6,594,640). These rejections are respectfully traversed.

Claim rejections under 35 USC §103(a)

Claims 21-23, 25, 26, 28, 29, 32, 35, 36, 39, 41-44, and 46-52

Applicants respectfully submit that a prima facie case of obviousness has not been established for the invention recited in pending claim 21 for at least two reasons.

First, pending independent claim 21 is directed to a method and recites, *inter alia*:

using the host server computer, providing for a combination reward program that is linked to the first pre-existing offline reward program and the second pre-existing offline reward program and that provides a combination reward that is based on the purchase of at least the first product and the second product, wherein the combination reward program is provided by a reward sponsor, wherein the first merchant is different than the second merchant, and wherein the combination reward is an award in addition to the first award and the second award and is given to a consumer in addition to the first award and the second award if the consumer uses a portable consumer device to purchase the first product at the first merchant at a first location and to purchase the second product at the second merchant at a second location, and wherein the first pre-existing offline reward program is capable of running without being in contact with the host server computer, and wherein the second pre-existing offline reward program is capable of running without being in contact with the host server computer

(emphasis added)

For example, although not so limited by the claims, as described with reference to FIG. 7 of the subject application, if a consumer purchases detergent X from a first merchant, they will be issued an award of \$0.75, in accordance with a first award program created by the first merchant. Separately, if a consumer purchases dryer sheet Y from another, second merchant, they will be issued an award of \$0.50, in accordance with another, second award program that is created by the second merchant. Accordingly, in a typical scenario, if a consumer were to purchase one detergent X and one dryer sheet Y they will be issued an overall award of \$1.25. These reward programs by themselves do not incentive the purchasing of multiple products from different merchants. Rather, they merely operate as stand-alone incentives to individually purchase detergent X and individually purchase dryer sheet Y. However, claim 21 recites the specific provision of a combination reward. Although not so limited by the claims, returning to our example, the combination reward may be an additional reward of \$0.25 in the event the consumer purchases detergent X from the first merchant and dryer sheet Y from the second merchant. Accordingly, the provision of a combination reward as recited in claim 21 advantageously incentivizes consumers to purchase multiple products from multiple, different merchants. The relied upon references fail to teach or suggest at least the aforementioned claim features.

In the outstanding Office Action, the Examiner relies upon Fowler's disclosure that "multiple awards programs may be operated based on a single qualifying transaction." (Office Action dated May 16, 2011, pages 3 and 11; Fowler, paragraph [0103]). Applicants respectfully disagree that this disclosure of Fowler teaches or suggests the combination award as claimed. This disclosure states that multiple awards programs may be operated based on a single qualifying transaction. According to Applicants best understanding, this means that for a single transaction at a single merchant (e.g., purchasing a desk at Target), the consumer may be provided multiple awards (e.g., a \$10 manufacturer's rebate and a 10% store discount) for engaging in that transaction (i.e., for purchasing the desk). However, this is entirely different than the claimed combination reward, since the combination reward as claimed "is an award in addition to the first award and the second award and is given to a consumer in addition to the

first award and the second award if the consumer uses a portable consumer device to purchase the first product at the first merchant at a first location and to purchase the second product at the second merchant at a second location.” That is, as claimed, the combination reward is provided based on multiple, not single, product purchases, and not only multiple product purchases, but multiple product purchases at different merchants.

The Examiner also relies upon Fowler’s disclosure that “multiple benefits from a number of marketing programs may be awarded” (Office Action dated May 16, 2011, pages 3 and 11; Fowler, paragraph [0080]). Applicants submit that this disclosure in Fowler is no more relevant to the claimed invention than that discussed in the preceding paragraph. Here, similar to the aforementioned disclosure in paragraph [0103], Fowler discloses that multiple benefits may be awarded. However, the full sentence is “In alternative embodiments of the present invention, multiple benefits from a number of marketing programs may be awarded”, suggesting that this is a stand-alone embodiment of Fowler, thus providing little if any teaching as to how, when, and/or under what conditions multiple benefits are awarded. It should be recognized that Applicants are not attempting to claim the mere provision of multiple awards, but rather the selective provision of awards under certain conditions, those conditions being recited in claim 21. In any event, in an attempt to obtain context of this disclosure in paragraph [0080], Applicant reads the remaining parts of Fowler’s paragraph [0080]. From such a reading, according to Applicants best understanding, it appears that paragraph [0080] is discussing awarding one or more benefits per transaction (“For example, one embodiment of the present invention may only award one benefit per transaction, and if multiple benefits are awarded, ... collision detection software will prioritize which benefit is to be awarded. “) Accordingly, it appears that the recitation of “multiple benefits from a number of marketing programs” is also directed to providing such benefits in response to a single, not multiple, transactions, and thus fails to teach or suggest the aforementioned features of claim 21 for at least the same reasons as the citation of Fowler in paragraph [0103] as discussed above.

In addition to these technical differences between the invention recited in claim 21 and the disclosure of Fowler, it should be recognized that at least due to these differences, Fowler fails to teach or suggest the aforementioned advantages associated with the claimed

invention. That is, as mentioned, the provision of the additional reward in addition to and separate from the first two awards (which are provided by different award programs and merchants) advantageously incentivizes consumers to purchase products in bulk from numerous merchants. In contrast, the previously discussed technical features of Fowler (i.e., operating multiple awards programs based on a single qualifying transaction), merely incentivize a consumer to engage in that single qualifying transaction with the single, particular merchant.

The other relied upon reference, *Fernandez*, is directed to methods and apparatus for electronically storing and retrieving value information on a portable card. A cursory review of *Fernandez* indicates that *Fernandez* fails to cure the deficiencies of *Fowler*.

Second, pending independent claim 21, also recites, *inter alia*:

wherein the portable consumer device includes a dynamic data field that may be updated based on a product preference of the consumer
(emphasis added)

For example, although not so limited by the claims, a consumer may have a personal preference for a particular soap, shampoo, or other toiletry. The dynamic data field of the portable consumer device may be updated based on this preference. This preference may then be used to customize future rewards, such as by the generation of a reward program that includes a reward in the event the consumer purchases that particular soap, shampoo, or other toiletry.

As mentioned in the Amendment dated March 7, 2011, Fowler discloses “combo-cards”. However, as also mentioned, Fowler fails to teach or suggest a portable consumer device including a dynamic data field that may be updated based on a product preference of the consumer. The provision of such a data field may result in numerous advantages, such as being able to generate a reward program around the preferred product and consequently increase the likelihood of future sales.

In the outstanding Office Action, the Examiner relies upon Fowler’s disclosure that “a point of transaction may also be a PDA.” (Office Action dated May 16, 2011, pages 3-4; Fowler, paragraph [0090]). Applicants respectfully disagree that this disclosure of Fowler teaches or suggests the aforementioned feature. This disclosure simply states that a point of

transaction device may be a personal computer such as a PDA. However, the mere disclosure of a PDA says nothing about product preferences of consumers, much less the inclusion of a dynamic data field that may be updated based on a product preference as recited in claim 21.

The Examiner also relies upon Fowler's alleged disclosure that a smartcard may be updated with current loyalty information such as current points or lifetime cumulative points. However, Applicants respectfully submit that the cited portion of Fowler (paragraphs [0083]-0085], [0090]) says nothing about a smartcard being updated with current loyalty information. Of this cited portion, only paragraph [0085] discloses "current points" and "lifetime cumulative points". However, here, Fowler is disclosing that such information may be "textual information provided on a statement", which may be visualized in Figures 5 and 6 of Fowler (see point C of Fowler Figs. 5 and 6). According to Applicants best understanding, this is merely teaching that such information may be printed on a receipt provided by a merchant, although there is no teaching or suggestion that such information may be stored on the smartcard of Fowler.

In addition to these technical differences between the invention recited in claim 21 and the disclosure of Fowler, it should be recognize that at least due to these differences, Fowler fails to teach or suggest the aforementioned advantages associated with the claimed invention. That is, as mentioned, the provision of a portable consumer device that includes a dynamic data field that may be updated based on a product preference of the consumer advantageously enables merchants or other entities to customize future rewards. In contrast, the previously discussed technical features of Fowler (i.e., printing point update information on a merchant-issued receipt) merely provides pointer information to a consumer.

The other relied upon reference, *Fernandez*, is directed to methods and apparatus for electronically storing and retrieving value information on a portable card. A cursory review of *Fernandez* indicates that *Fernandez* fails to cure the deficiencies of *Fowler*.

For at least these reasons, Applicants submit that pending independent claim 21 is allowable over *Fowler* and *Fernandez* either alone or in combination. Claims 22, 23, 25, 26, 28, 29, 42-44, and 46-50 depend from claim 21, and thus are allowable over *Fowler* and *Fernandez* for at least the same reasons as claim 21, as well as on their own merits. Further, independent

claim 32 recites similar limitations as discussed above with reference to claim 21, and is thus allowable for reasons similar to those discussed above for claim 21. Claims 35, 36, 39, 41, and 51-52 depend from claim 32, and are thus allowable over *Fowler* and *Fernandez* for at least the same reasons as claim 32, as well as on their own merits.

Accordingly, Applicants respectfully request withdrawal of the outstanding 35 USC 103 rejection to claims 21-23, 25, 26, 28, 29, 32, 35, 36, 39, 41-44, and 46-52.

Claim 24

Claim 24 depends from claim 21, and the rejection to claim 24 relies on *Fowler* teaching the features of claim 21 discussed above with respect to claim 21. However, as discussed above, *Fowler* fails to teach or suggest these features. The other relied upon reference, *Ryan*, is directed to a method and system for providing benefits to retail consumers. A cursory review of *Ryan* indicates that *Ryan* fails to cure the deficiencies of *Fowler*.

For at least these reasons, Applicants respectfully request withdrawal of the outstanding 35 USC 103 rejection to claim 24.

Claims 27, 34, 37, and 45

Claims 27 and 45 depend from claim 21, while claims 34 and 37 depend from claim 32. The rejections to claims 27, 34, 37, and 45 rely on *Fowler* teaching the features of claims 21 and 32 discussed above with respect to claim 21. However, as discussed above, *Fowler* fails to teach or suggest these features. The other relied upon reference, *Nerger Monkia*, is directed to CRM systems. A cursory review of *Nerger Monkia* indicates that *Nerger Monkia* fails to cure the deficiencies of *Fowler*.

For at least these reasons, Applicants respectfully request withdrawal of the outstanding 35 USC 103 rejection to claims 27, 34, 37, and 45.

Claims 30, 31, and 40

Claims 30 and 31 depend from claim 21, while claim 40 depends from claim 32. The rejections to claims 30, 31, and 40 rely on *Fowler* teaching the features of claims 21 and 32 discussed above with respect to claim 21. However, as discussed above, *Fowler* fails to teach or

suggest these features. The other relied upon reference, *Postrel*, is directed to a system for electronic barter, trading and redeeming points accumulated in frequent use reward programs. A cursory review of *Postrel* indicates that *Postrel* fails to cure the deficiencies of *Fowler*.

For at least these reasons, Applicants respectfully request withdrawal of the outstanding 35 USC 103 rejection to claims 30, 31, and 40.

Rejections to Claims 30-31 Under 35 U.S.C. § 103 in View of Official Notice

In the Office Action, claims 30-31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fowler in view of Postrel in view of Official Notice. This rejection is traversed.

Pursuant to MPEP 2144.03, Applicants challenge the Examiner's taking of Official Notice in each and every instance that this is done in this Office Action. Unless a specific piece of prior art is cited to meet the claim limitations, Applicants cannot determine if the Examiner has satisfied the burden of establishing obviousness. For example, even if the Examiner can find a reference teaching "smarts cards that conform[s] to ISO standard 7816" (see discussion in Office Action at paragraph 8 relating to claims 30 and 31) the reference may not be combinable with the other cited references or may teach away from the combination. Thus, Applicants respectfully request that the Examiner find a prior art reference to support each allegation that a feature that is present in the claims is "well known."

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested.

Further, the Commissioner is hereby authorized to charge any additional fees or credit any overpayment in connection with this paper to Deposit Account No. 20-1430.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

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PATENT

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